



Counter motions for the Annual General Meeting on February 28, 2019 in Hamburg

We have received the following counter motions to items 4, 5, and 6 of the agenda for our Annual General Meeting from shareholder Dr. Werner Marnette:

Agenda item 4: Adoption of a resolution for the formal approval of the members of the Supervisory Board for fiscal year 2017/2018

Regarding agenda item 4:

I move that the company's published proposed resolution to formally approve the Aurubis AG Executive Board for fiscal year 2017/18 not be passed. I object to and vote against this published proposed resolution for the following reasons:

Five changes in the Executive Board chairmanship since 2011, the last in fiscal year 2018/19, lead to doubt about the correct and dutiful nature of the Supervisory Board's work. This is possibly due to the fact that Salzgitter AG (SzAG) has had and continues to have unauthorized influence, beyond its legal rights, on Aurubis' business due to its members in the Supervisory Board (Handelsblatt: September 22, 2014). Furthermore, the Supervisory Board lacks the professional expertise necessary to understand the business model.

Moreover, it was publicized in 2017/18 that SzAG intends to acquire/merge with Aurubis. This knowledge is based on information publicized by SzAG (e.g., Handelsblatt: September 27, 2015) and on information from SzAG's immediate vicinity. In addition, SzAG announced on April 27, 2018 pursuant to the German Securities Trading Act that they were a strategic investor and would possibly interfere with Executive Board business:

"The stake in Aurubis AG primarily serves the implementation of their own strategic goals, from today's perspective (...). Within the scope of and based on their shareholder status, they possibly influence appointments to additional administrative, management, or supervisory bodies of Aurubis AG."

At almost the same time this was published, SzAG elected former Aurubis Executive Board Chairman and Supervisory Board member Dr. Bernd Drouven to its Supervisory Board. It is notable that he was already elected to the Aurubis Supervisory Board in 2013 at SzAG's request through a special arrangement pursuant to Section 101 of the German Stock Corporation Act and then was once again dispatched to the Aurubis Executive Board from 2014 to 2015 at the prompting of SzAG. There was already doubt about his

independence at that time. The Supervisory Board did not carry out a correct and dutiful selection procedure for this position, either.

Since he was elected to the SzAG Supervisory Board in 2018, Dr. Drouven has been active in its Strategy Committee and is supposed to work on SzAG's copper activities. This is legal, but only as long as no confidential knowledge about Aurubis is used to the benefit of SzAG.

The Aurubis Supervisory Board has been aware of these proceedings through a written submission since October 10, 2018 at the latest. This was never clarified nor rectified. There was only one personal notification from a representative of SzAG in the Supervisory Board on December 23, 2018 "that, until today, SzAG and its relevant bodies have never composed or prepared any resolutions with the objective or subject of acquiring Aurubis."

An acquisition by SzAG does not make sense for Aurubis, neither strategically nor economically. There are virtually no synergies between the two companies, and an acquisition would end or very strongly limit Aurubis' independent development.

An acquisition could make sense for SzAG because Aurubis has strong assets and income. However, it is up to the Aurubis shareholders to decide whether they follow SzAG's intentions or if they support Aurubis' independent development. This step may not, under any circumstances, be promoted or prepared by the Supervisory Board and/or the Executive Board under the influence of SzAG.

The independent shareholder representatives in the Supervisory Board therefore have a decisive role. Therefore, before formal approval is issued for fiscal year 2017/18, they should be required to submit answers and a written declaration regarding the following questions:

- a)
Are they independent and can this be proven?
- b)
Are the described proceedings and intentions of SzAG known, and what steps have resulted from them?
- c)
How do the independent shareholder representatives ensure that Aurubis maintains its autonomy?
- d)
Have there been Supervisory Board decisions since March 2018 that have been significantly determined by SzAG and suspicion could arise that they served particular interests of SzAG?
- e)
Has Supervisory Board member Dr. Stephan Krümmer worked for SzAG and/or its holdings within the scope of his position at consulting firm Deloitte or in another function?

This countermotion becomes obsolete if the independent shareholder representatives clearly answer these questions and put them on record. If, contrary to expectations, they are not prepared to do so, I ask the representatives of Salzgitter AG and the chairman of the Supervisory Board to make a concrete statement on these essential topics/questions.

If not, the shareholders at the Annual General Meeting should pass a resolution that all Supervisory Board decisions made after the Annual General Meeting 2018 be subjected to an independent review and be suspended until it has been conclusively clarified whether there have been violations of the law or criminal offenses.

As an accompanying measure, I will review all legal steps to determine whether the Supervisory Board has correctly fulfilled its legal obligations under the German Stock Corporation Act or if there have been violations under this law.

Agenda item 5: Adoption of a resolution for the appointment of the auditor and the group auditor for fiscal year 2018/19 and the auditor for the review of other interim financial reports for fiscal years 2018/19 and 2019/20 prior to the 2020 AGM

Regarding agenda item 5:

I move that the company's published proposed resolution to appoint Deloitte GmbH Wirtschaftsprüfungsgesellschaft as auditor and group auditor not be passed. I object to and vote against this published proposed resolution for the following reasons:

The highest standards of quality and independence should be placed on the auditor. There may also be no conflicts of interests. Accordingly, the Supervisory Board and Executive Board are obligated to release the selection criteria for Deloitte GmbH Wirtschaftsprüfungsgesellschaft GmbH with full transparency and to explain how this auditing company differs from its competitors, if alternatives were even considered in the first place. The statement that the Supervisory Board's recommendation is based on "the recommendation and preference of the Audit Committee" is not sufficient. In particular, the fact that the chairman of the Audit Committee, Supervisory Board member Dr. Stephan Krümmer, was chairman of the M&A division and member of the Global Executive Committee of Deloitte until 2006 should be challenged. A conflict of interests cannot be ruled out.

Agenda item 6: Supervisory Board elections

Regarding agenda item 6:

I move that the company's published proposed resolution to elect Ms. Andrea Bauer, member of the management of VDM Metals, as shareholder representative not be passed. I object to and vote against this published proposed resolution for the following reasons:

The reasons for this countermotion are mainly those found in the argumentation in the countermotion to agenda point 4, as Ms. Andrea Bauer was already appointed an Aurubis Supervisory Board member by the Hamburg District Court on June 22, 2018. Furthermore, there is no clear statement from the candidate regarding her independence. The "Supervisory Board's assessment" that she is independent is, by itself, not sufficient.

The countermotion will become obsolete if Ms. Bauer clearly answers the questions posed regarding agenda item 4 and submits a statement on her independence to the shareholders at the Annual General Meeting. If she plausibly demonstrates her independence, she fulfills the expectation of the necessary specialist expertise for a Supervisory Board mandate as a financial professional with experience in the metals business. She will also fulfill the quota for female members, though she will not compensate for the Supervisory Board's lack of expert knowledge.

In a letter dated January 1, 2018 to the then-chairman of the Supervisory Board and the chairman of the Nomination Committee, I recommended, on the occasion of the upcoming 2018 Supervisory Board election, to appoint two individuals to the Supervisory Board who have “experience in the international raw material and metal business” and “strategic and operative experience in copper metallurgy.” In a personal message dated January 14, 2018, the then-chairman of the Supervisory Board and the Nomination Committee generally agreed with the recommendation, “since we have to cover the basic qualifications just like significantly larger Supervisory Board bodies.” In the end, the Nomination Committee didn’t follow this recommendation, leading to the significant deficit of expert knowledge in the Supervisory Board, which negatively impacts Aurubis’ development. This must be compensated for urgently.

Pursuant to Section 127 of the German Stock Corporation Act, I will therefore recommend at the Annual General Meeting that Dr. Michael Landau, former long-term Aurubis employee and member of the Executive Board, be elected to the Supervisory Board as an initial step and that the resulting personnel changes in the Supervisory Board be carried out.

Dr. Michael Landau is self-employed and, since his retirement from the Aurubis Executive Board due to his age, has assisted with large-scale industrial projects. He has comprehensive knowledge in the areas of primary and secondary raw materials, as well as primary and secondary copper (metal) production, refining, and processing. In the subsequent step, a second individual with international experience in the relevant raw material and metal markets relevant for Aurubis must join the Supervisory Board.

Without these personnel changes, the Aurubis Supervisory Board in its current composition will not be in a position to evaluate and decide on the national and international, operative and strategic measures and investments necessary for Aurubis’ development.

We have received the following countermotions to items 3 and 4 of the agenda for our Annual General Meeting from the shareholder Dachverband der Kritischen Aktionärinnen und Aktionäre e.V. (Confederation of Critical Shareholders):

Agenda item 3: Adoption of a resolution for the formal approval of the members of the Executive Board for fiscal year 2017/2018

The formal approval of the Executive Board members shall be denied.

Reasoning:

Aurubis does not prevent any environmental or human rights violations by suppliers

In this fiscal year as well, Aurubis suppliers committed environmental and human rights violations. In the Glencore mine Las Bambas in Peru, special police forces marched in because the local citizens protested against the unacceptable environmental pollution due to the copper mining taking place there. The government declared a state of emergency for the copper mining region.

On January 25, 2019, a tailing dam belonging to the Aurubis supplier Vale in Brazil broke. A mudslide rolled over settlements near the municipality Brumadinho in the state of Minas Gerais and buried people, houses, and animals. The latest reports say there have been 150 deaths. In the meantime, Vale has been removed from the sustainability index of the Sao Paulo stock exchange due to the dam collapse.

In its new 5-year strategy, Aurubis does not pursue any radical changes to prevent suppliers' environmental and human rights violations.

Instead of appointing an environmental and human rights committee and nominating an environmental and human rights officer, regularly consulting with NGOs and communities in the countries affected, developing goals and KPIs with defined targets to prevent environmental and human rights violations, and publishing activity reports with achieved results, activities related to environmental and human rights violations are only communicated superficially in company policy. There are no sanctions for the suppliers involved.

Aurubis doesn't provide information about toxic copper concentrates

Although the company knows that in the near future only copper concentrates with a much higher arsenic content will be processed due to the finite nature of natural copper raw material reserves, the company's management doesn't inform the relevant suppliers, residents, and communities. Residents living near the Aurubis supplier Dundee Precious Metals in Tsumeb, Namibia, complain about the harmful consequences of their contact with arsenic, which is found in the groundwater, in the air, and in the soil. The toxic copper concentrates come from mines in Peru and Bulgaria.

Aurubis doesn't provide sufficient information about disruptive incidents

On September 13, 2018, there was a disruptive incident on the Aurubis plant premises in Pirdop, Bulgaria. Only after the Confederation of Critical Shareholders took initiative in Germany did Aurubis inform the local media and the citizens of Pirdop.

Aurubis doesn't establish sufficient targets for fighting climate change

Specific energy consumption levels at the different Aurubis sites, and thus the CO₂ emissions responsible for climate change, have stagnated at a high level. Because Aurubis doesn't use any renewable forms of energy, no guiding initiatives to combat climate change and its impacts are implemented, either.

Aurubis doesn't fulfill its claim of being considered a leading sustainable company in the copper processing sector

While competitors take a clear position on climate and sustainability targets and enter into partnerships with end consumers for the processing of ethical and ecological copper ("green copper"), Aurubis doesn't demand the processing of Responsible Copper in the entire supply chain in its new 5-year Sustainability Strategy.

The use of renewable energy, the creation of local jobs, transparent production, cooperation with NGOs, and the cleaning of polluted mining areas are not mentioned in Aurubis' 5-year Sustainability Strategy.

Aurubis ignores Natura2000 conservation areas in Bulgaria

In this fiscal year as well, Aurubis ignored the Natura2000 conservation areas located directly adjacent to the plant in Bulgaria. Aurubis suppliers organize off-road competitions in the conservation areas. Tailing facilities belonging to the copper mine operators there threaten biodiversity in the Natura2000 conservation areas. Aurubis itself doesn't mention the Natura2000 conservation areas in Bulgaria at all in its environmental and financial reports. The lack of responsibility for species conservation and biodiversity from Aurubis and its suppliers cannot continue to be ignored by the Executive Board.

Agenda item 4: Adoption of a resolution for the formal approval of the members of the Supervisory Board for fiscal year 2017/18:

The formal approval of the Supervisory Board members shall be denied.

Reasoning:

The Supervisory Board members have failed to direct the Aurubis AG Executive Board to establish sustainability reporting related to the UN Sustainable Development Goals (SDGs). This would have allowed the Group to develop processes to remedy the grievances mentioned under the countermotion regarding agenda point 3 or to end the practices mentioned.

No sustainability reporting guided by the Sustainable Development Goals (SDGs)

Many companies have started orienting their sustainability reporting to the 17 Sustainable Development Goals passed by the United Nations in 2015. Until now, there seem to have been only rudimentary approaches to this at Aurubis. For example, as part of the 2018 Sustainability Week, Aurubis apprentices discussed the Sustainable Development Goals, among other things.

Call for companies to assume social responsibility

Even though SDG reporting isn't legally mandatory for companies, there are reasons to introduce it and thus to follow the United Nations' and the German federal government's call on companies to assume social responsibility. The German national sustainability strategy will only be successful if all relevant groups contribute to it. Legal regulations may refer to the Sustainable Development Goals in the future so that Germany achieves its environmental and climate objectives.

More and more investors are including sustainability aspects in their assessments of companies, as harmful environmental impacts of business activities and non-transparent supply chains represent risks. By formulating sustainability targets and orienting sustainability reporting to the SDGs, companies can distinguish themselves positively from competitors that aren't guided by sustainable company policies.

Comment on our shareholders' counter motions:

The management will comment on the counter motions at the Annual General Meeting as necessary.

Aurubis AG
Executive Board